

Meeting Summary
Maine Citizen Trade Policy Commission
July 11, 2012
Room 220, Burton M. Cross State Office Building
Augusta, Maine

Members Present: Senator Sherman, Representative Maker, Representative Bernard Ayotte, Representative Rotundo, John Palmer, Joseph Woodbury, Harry Ricker, Michael Herz, Steve Cole, Jay Wadleigh, Linda Pistner, Michael Herz

Staff: Lock Kiermaier (Contract)

Upon the required number of members being present to constitute a quorum, the meeting was convened by the Chairs at approximately 1:15 PM.

In the first item of the proposed agenda, Senator Sherman and Representative Maker asked Commission members to introduce themselves.

Presentation from Representative Sharon Treat on updates of the San Diego round of TPPA negotiations and recent TPPA-related correspondence

The second item on the agenda involved a presentation from Representative Sharon Treat, former CTPC member and current IGPAC member of the USTR, regarding various international trade treaty issues:

- Representative Treat referred CTPC members to a series of documents in their meeting folders pertaining to a recent letter sent to USTR Ambassador Ron Kirk. The letter, dated July 5, 2012, was signed by 130 legislators from all 50 states and Puerto Rico. The letter and an accompanying press release stated the legislators' likely opposition to the TPPA unless certain substantive changes were made. The primary concern stated in the letter was an objection to the possible inclusion of an "investor-state" dispute settlement system in the TPPA which would use foreign tribunals to circumvent federal and state laws to settle international trade disputes;
- Representative Treat then discussed the current status of the recent round of TPPA negotiations held in San Diego by first focusing on the text of a yet-to-be released USTR proposal regarding the treatment of pharmaceuticals. Although Representative Treat is bound by confidentiality restrictions as a member of IGPAC and is not allowed to discuss the details of the proposal, she did state that the proposal represents an improvement over previous drafts regarding pharmaceuticals. Representative Treat suggested that the CTPC might consider sending a letter to the USTR advocating for the concept of affordability to be paramount in whatever pharmaceutical provisions are finally included in the TPPA;
- Next, Representative Treat briefly addressed the subject of the treatment of tobacco in the TPPA by stating that the USTR has held numerous conversations with "uncleared" individuals regarding the USTR proposed compromise on tobacco but no new or revised proposals were presented. Representative Treat reiterated that the protection of existing

tobacco regulation was crucial and that the loopholes in the current USTR proposal need to be closed;

- Representative Treat then discussed the topic of procurement in the TPPA by stating her belief that any procurement provisions included in the TPPA should not bind the states or the federal government to compliance. She further stated that is not currently clear how procurement issues will be treated in the TPPA but that vigilance is required regarding the future development of TPPA procurement provisions; and
- To conclude her remarks, Representative Treat then addressed an international trade topic which is currently outside the TPPA: that of “country-of-origin” labeling. She cited 3 WTO decisions in the last 2 months which invalidated current U.S. laws and regulations pertaining to country-of-origin labeling. According to Representative Treat, the U.S. is currently assessing what next steps should be taken in response to the WTO decisions and these steps range from complete compliance to simply doing nothing. She also stated that is not currently clear what the consequences would be of doing nothing or noncompliance.

Consideration of recent CTPC Assessment on the TPPA

For the third item on the agenda, CTPC members considered possible reactions to the recent Assessment on the TPPA produced for the CTPC by Professor Robert Stumberg of Georgetown University. After considerable discussion, the CTPC approved the following motions:

1. To develop a one page description of the CTPC and its statutory responsibility to conduct a biennial assessment and to include this one page summary with all printed copies of the final Assessment document;
2. To send letters to members of Maine’s congressional delegation informing them of the recent TPPA Assessment and providing them with printed copies of the final Assessment document;
3. To send a letter to the USTR regarding the treatment of procurement in the TPPA. More specifically:
 - a. Endorsing the manner in which procurement issues have been addressed in previous international trade agreements;
 - b. Advocating that the procurement provisions in the TPPA allow for “Buy America” requirements; and
 - c. Ask for a response to what the USTR plans to propose for procurement provisions to be included in the TPPA.
4. To send a letter to the USTR regarding the treatment of tobacco in the TPPA. More specifically:
 - a. State the CTPC preference for a total “carve out” of having the TPPA apply to tobacco regulation;
 - b. Absent a total “carve out” for tobacco in the TPPA, express the CTPC preference for amending the current USTR compromise proposal on tobacco to ensure that federal and state tobacco-related laws and regulations are not subject to TPPA jurisdiction and that the USTR proposal be further amended to ensure an approach which minimizes the possibility of tobacco-related litigation through the TPPA; and
 - c. Ask the USTR to come forth with a clear public statement on whatever tobacco proposal will be made by the U.S.

5. To send a letter to the USTR regarding the treatment of pharmaceuticals in the TPPA. More specifically:
 - a. Cite the previous CTPC letters sent to the USTR regarding the CTPC stand on pharmaceuticals ;
 - b. Advocate strongly for the provision of a “footnote” in the TPPA treatment of pharmaceuticals which allows for the exemption of federal reimbursement programs like Medicaid, 340 B and Medicare Part B; and
 - c. Advocate for TPPA pharmaceutical provisions which emphasize and allow for affordability.
6. To send a letter to the USTR regarding the “country-of-origin” labeling issue. More specifically:
 - a. Ask the USTR exactly who they are consulting with and what options are being considered regarding recent adverse decisions from the WTO regarding country-of origin labeling issues; and
 - b. Ask the USTR precisely what is being done and what formal positions have been taken by the U.S. in response to the recent WTO decisions.
7. To specify that all letters to the USTR also be addressed to the USTR individual responsible for that particular subject area and request that a direct personal response from that individual be provided; and
8. Request to staff that drafts of all the letters authorized in previous motions be circulated among CTPC members for editing suggestions and that final approval of draft letters be delegated to the CTPC chairs.

Change in CTPC Staffing

Current CTPC staff member, Lock Kiermaier, reminded CTPC staff members that his contract to provide staffing to the CTPC is over at the end of July, 2012 and that OPLA will resume staffing responsibilities for the next CTPC meeting. Mr. Kiermaier then introduced Alyson Mayo from OPLA who will be working in tandem with Danielle Fox, OPLA (not present at the meeting) to provide staffing for the CTPC.

The meeting was adjourned at approximately 3:30 PM.